

ND ASSOCIATION OF COUNTIES
NDACo FUND
State Investment Board
Balance Sheet
As of 6/30/2004

	As of <u>6-30-04</u>	As of <u>6-30-03</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 124,130	\$ 110,285
INTERNATIONAL EQUITIES	30,858	28,077
DOMESTIC FIXED INCOME	136,376	121,076
INVESTED CASH (NOTE 1)	<u>14,955</u>	<u>13,800</u>
 TOTAL INVESTMENTS	 306,319	 273,238
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	666	961
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	<u>57,241</u>	<u>32,147</u>
 TOTAL ASSETS	 <u><u>\$ 364,226</u></u>	 <u><u>\$ 306,346</u></u>
 LIABILITIES:		
ACCOUNTS PAYABLE	467	402
SECURITIES LENDING COLLATERAL (NOTE 2)	<u>57,241</u>	<u>32,147</u>
 TOTAL LIABILITIES	 57,708	 32,549
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	273,797	257,665
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>32,721</u>	<u>16,132</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>306,518</u>	 <u>273,797</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 364,226</u></u>	 <u><u>\$ 306,346</u></u>

**ND ASSOCIATION OF COUNTIES
NDACo FUND
State Investment Board
Profit and Loss Statement
For the Month Ended 6/30/2004**

	Month Ended <u>6-30-04</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 720	\$ 8,509
SECURITIES LENDING INCOME	<u>57</u>	<u>465</u>
	777	8,974
 GAIN ON SALE OF INVESTMENTS	 3,465	 33,884
LOSS ON SALE OF INVESTMENTS	<u>2,149</u>	<u>17,696</u>
 NET GAINS (LOSSES) INVESTMENTS	 1,316	 16,188
 INVESTMENT EXPENSES	 384	 1,786
SECURITIES LENDING EXPENSES	<u>45</u>	<u>374</u>
 NET INVESTMENT INCOME	 1,664	 23,002
 NET APPREC (DEPREC) MARKET VALUE	 2,423	 9,703
MISCELLANEOUS INCOME/(EXPENSE)	<u>0</u>	<u>16</u>
 TOTAL INVESTMENT INCOME	 <u>4,087</u>	 <u>32,721</u>
 NET INCREASE (DECREASE)	 <u>\$ 4,087</u>	 <u>\$ 32,721</u>

ND ASSOCIATION OF COUNTIES
NDACo FUND
Notes To Financial Statements
June 30, 2004

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 2 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 3 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.